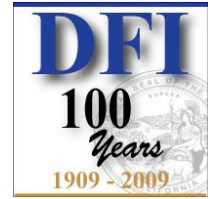




# Monthly Bulletin



Volume 14, Number 9

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## California Department of Financial Institutions Receives National Accreditation

The Department of Financial Institutions (DFI) has received professional accreditation from the Conference of State Bank Supervisors (CSBS), certifying that DFI maintains the highest standards and practices in state banking supervision.

As of yearend 2010, DFI supervised 201 banks with assets of \$255.1 billion, seven non-depository trust companies and 31 foreign banking operations.

The CSBS Accreditation Program identifies banking departments that serve the citizens of their state by operating a capable and professional regulatory program. DFI is required to complete annual reviews to maintain its accredited status and also undergo a complete re-accreditation process every five years. DFI was first accredited in 1990 and has maintained its accreditation for over twenty years.

The rigorous accreditation process begins with a self-evaluation, which reviews all aspects of the department's operations, its mission, policies, procedures, funding, and statutory authority. A review team of veteran state and federal regulators visits the department to determine whether it can effectively fulfill its responsibility of chartering, regulating and supervising the state's banks and bank holding companies. The review team reports its findings and makes a recommendation to CSBS's Performance Standards Committee, which votes on the final accreditation decision.

For a link to the press release click [here](#).

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300 South Spring Street, Suite 15513, Los Angeles, CA 90013-1204  
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Consumer Compliance

(415) 263-8500  
(213) 897-2085  
(916) 322-5966  
(619) 682-7227  
(800) 622-0620

## DFI Launches New Email Subscription List

In connection with California Financial Literacy Month in April, the Department of Financial Institutions is proud to announce a new email service especially for broadcasting information concerning financial education for youth, young adults, seniors, the unbanked, and others. If you are interested in receiving timely and pertinent news, resources, programs and services, you can sign up on the subscription page located here:

<http://www.dfi.ca.gov/publications/bulletins/subscription/pio.asp>

Important note: when you go to the subscription page, enter your email address and other contact information and click “subscribe” you will receive a confirmation message to the email address that you entered. Your subscription will not become effective until you respond to the confirmation message as directed. Check your spam folder if you do not receive the message shortly after your request to join the list. To ensure that list mailings are not blocked by your firewall or spam filter, add the address of our list host, blizzard.sparklist.com to your friends list.

- Follow us on Twitter: @CAFLM
- Join the discussion on our blog: [www.caflm.blogs.ca.gov](http://www.caflm.blogs.ca.gov)
- Visit our Web site: [www.dfi.ca.gov/caflm](http://www.dfi.ca.gov/caflm)

For additional information on DFI’s Consumer Education and Outreach Program, please contact [Alana Golden](#), (916) 323-7012.

Thank you for your interest in financial literacy!

## Residential Mortgage Survey Results

In October 2010, Commissioner Haraf directed DFI licensed commercial banks and credit unions to respond to a Residential Mortgage Survey. The purpose of the survey is for the DFI to maintain complete, accurate, and up-to-date information on the real estate loan portfolios of licensees to determine current risk and assess the potential effect of any proposed regulatory or statutory changes at the federal and/or state level on our licensees. The final summary results of the survey have been posted to the DFI website and can be found in the Publications area under Commissioner Surveys (<http://www.dfi.ca.gov/publications/rms/default.asp>).

The data reported reflects the DFI licensed financial institutions’ limited involvement in residential mortgage lending relative to California and the U.S. overall. Analysis of the survey results shows the following:

- Holdings of mortgage loans totaled 338,603 with balances of approximately \$51.3 billion, including \$40.3 billion in first liens and \$11 billion in junior liens. The data includes one recently licensed institution that reported 11,000 loans with balances exceeding \$10.8 billion. The overall balances represent only 1% of holdings reported nationally.

- Mortgage loan balances past due by 90 days or more represent only 0.85% of total DFI residential mortgage holdings and is lower than the 5.9% reported for 90 day or greater delinquencies on mortgages in California as of the third quarter of 2010.
- Short-sales completed between September 30, 2009 and September 30, 2010 totaled 1,126 mortgage loans with approximately \$255 million in balances, which is 0.33% of DFI licensed institutions' residential mortgage holdings.
- Foreclosures completed between September 30, 2009 and September 30, 2010 totaled 1,317 mortgage loans with approximately \$333.3 million in balances. DFI Licensees foreclosed at a rate of 0.39%, which is lower than the rates of foreclosures nationally (1.91%) and in California (4.42%) during the same period.
- Modifications made between September 30, 2009 and September 30, 2010 totaled 4,570 loans with \$1.6 billion in balances. Modification data for non-DFI licensees in California, as well as national level data was unavailable for comparison.

For questions about the survey please contact Kristine De Young at 916-324-7488 or [kdeyoung@dfi.ca.gov](mailto:kdeyoung@dfi.ca.gov).

## DFI Consumer Complaint Process Reminder

Licensees are reminded that they are to follow the consumer complaint procedures adopted in August 2010:

1. Licensees receive consumer complaint information via email. Emails will be directed to the "designated" e-mail provided by each licensee for communication with DFI.
2. Licensees are expected to respond to consumer complaints within **7 calendar days**.
3. Responses must be submitted to DFI for review. If in its review DFI determines that the response is incomplete, DFI will work with the licensee to finalize the response. A copy of the response should NOT be sent to the consumer by the licensee. DFI will transmit responses to consumers.

Questions regarding these important changes should be directed to DFI Consumer Services 1-800-622-0620.

## DFI Communications with Licensees

In compliance with the Commissioner's July 15, 2010 Order regarding electronic communications, each licensee was required to designate a specific email address for direct communications with the Department of Financial Institutions.

**Reminder:** all licensees are to monitor the designated email account daily to ensure that they are receiving DFI information and responding in a timely manner.

## DFI Issues Warning Notice – Unified Field Bank

A warning to cease and desist from doing business in California without a license from the Commissioner of Financial Institutions was issued to David Rose, Unified Field Bank

Mr. Rose and Unified Field Bank are not authorized to transact business in the way or manner of a bank and are not authorized to transact business under a name which contains the word “bank” and indicates the business is that of a bank pursuant to Chapter 18 of Division 1 of the California Financial Code. All persons who have communicated with Mr. Rose or Unified Field Bank are asked to contact the Department of Financial Institutions, Legal Division, San Francisco, at (415) 263-8514 or by email at [jpatten@dfi.ca.gov](mailto:jpatten@dfi.ca.gov).

## Commercial Bank Activity

### Purchase of Partial Business Unit

First California Bank, Westlake Village, to acquire the Electronic Banking Solutions Division of Palm Desert National Bank, Palm Desert  
Approved: 3/29/11

### Acquisition of Control

Sang Hoon Jeung, to acquire control of First Choice Bank  
Filed: 3/28/11

## Credit Union Activity

### Field of Membership

One credit union received approval to add one new field of membership during February 2011.

### Bylaw Amendment

Four credit unions received approval for four bylaw amendments during February 2011.

### Merger

Onized Oakland Federal Credit Union, Oakland, to merge with and into Allied Trades Credit Union, Stockton  
Approved: 2/2/11  
Effected: 3/31/11

Cal State Central Credit Union, Santa Rosa, to merge with and into Redwood Credit Union, Santa Rosa  
Approved: 2/22/11

Guadalupe Federal Credit Union, Mountain View, to merge with and into National 1<sup>st</sup> Credit Union, Santa Clara

Approved: 3/1/11

## **Premium Finance Company Activity**

### **Voluntary Surrender of License**

Silverton Insurance Financial, Inc.

Effected: 2/25/11

## **Foreign (Other Nation) Bank Activity**

### **New Office**

The Royal Bank of Scotland N.V.

620 Newport Center Drive, Newport Beach, Orange County (Representative Office)

Withdrawn: 1/19/11

## **Foreign (Other State) Bank Activity**

### **New Facility**

Darien Rowayton Bank

144 Calle de Andalucia, Redondo Beach, Los Angeles County (Facility – Insured Bank)

Notified: 3/29/11

Reliance Trust Company

610 Alamo Pintado Road, Solvang, Santa Barbara County (Facility – Uninsured Trust Company)

Opened: 3/1/11

# Money Transmitter Activity

## New Money Transmitter

Comdata, Inc.  
Approved: 3/24/11

GPS CAPITAL MARKETS, INC. (originally filed as a Payment Instruments application)  
Abandoned: 11/2/10

## Acquisition of Control

Catalina Acquisitions, LLC, to acquire control of Unidos Financial Services, Inc.  
Filed: 3/10/11

## Voluntary Surrender of License

Fidelity Express  
Effectuated: 3/8/11

Wells Fargo & Company  
Effectuated: 3/29/11

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WILLIAM S. HARAF  
Commissioner of Financial Institutions

Bulletin for Month ended  
March 2011, issued pursuant  
to Financial Code section 258



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